

HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

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PLANNING & DEVELOPMENT COMMITTEE Public Hearing Testimony March 15, 2021

To: Chairpersons Rep. McCarthy Vahey, Sen. Cassano, Ranking Members Rep. Zullo, Sen. Hwang and distinguished Members of the Planning & Development Committee

From: Jim Perras, CEO

Re: S.B. 1024: AN ACT CONCERNING ZONING AUTHORITY, CERTAIN DESIGN GUIDELINES, QUALIFICATIONS OF CERTAIN LAND USE OFFICIALS AND CERTAIN SEWAGE DISPOSAL SYSTEMS. (Support)

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with nearly 900 hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses is comprised of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

Our organization strongly believes that Connecticut is in dire need of comprehensive zoning reform to boost the state economy, and that is exactly what **S.B. 1024** offers. Zoning reform is needed because zoning restrictions are part of the array of laws that have made it much too hard to build housing in Connecticut. There are significant economic benefits to reform. A study from the National Association of Homebuilders (NAHB) shows that producing 1,500 units could immediately add \$271M to people's pockets, increase tax revenues by \$40M to state and local governments, and create over 3,000 new jobs. Over the long term, passing this bill would create nearly 1,000 jobs and \$16M in state and local tax revenue on an annual basis. And this is what would happen if we produced just 1,500 units of multi-family housing. **S.B. 1024** would, we hope, enable many more units of housing than that.

Zoning reform is also needed because it would enable communities to accommodate more diverse types of housing. Our members build a wide array of housing types, from single-family housing to multifamily buildings. We mostly build single-family housing, because that is what zoning codes require. But our members see a wave of demographic change, one in which single-family housing is not what everyone wants. We are already seeing increasing demand for 2-to-4 unit housing, particularly from younger residents and seniors. But unfortunately, this is the type of housing that is most difficult to build.

S.B. 1024 would make it easier to build the kind of housing that we are seeing the market demand. It would direct that development to smart places: places where infrastructure already exists, and where market demand is most likely to be high. In particular, the proposals to unlock transit-oriented development and development around main streets are a good start. Development in these types of places is inherently walkable, and market demand for walkable communities is high, according to the Congress for the New Urbanism. We have said in the past that identifying pre-approved development areas, like this bill does, is an excellent way to promote smart land development plans and cluster planning.

A third proposal, on accessory dwelling units (ADUs) would also help to generate construction. Again, our state has a well-documented <u>housing shortage</u>, and ADUs are an effective way to provide housing for young people, seniors, multigenerational families, and others who want to live in our communities, but do not have housing that meets their needs.

A key aspect of those three proposals is that development would be allowed "as of right." Having a statutory definition for "as of right" approvals - as this bill proposes - is extremely important. There is a lot of discretion in even the supposedly "as of right" permitting that already exists, and this definition will help us understand what "as of right" truly means. It will also place public input in zoning regulations for transit-oriented and main street projects at the stage of drafting regulations. Today, too often, public input starts on the night of a public hearing - after a project has been fully designed and significant costs have been expended. Our members have seen project after project die because of discretionary, emotional public hearings. It would benefit all of us if the rules were clearly set out in advance, with input by the public, so that our system of providing housing was more streamlined.

There are other proposals in this bill that have long been on our legislative agenda. Specifically:

- We have long suggested that the legislature prohibit minimum floor area regulations that are not based on the public health code. Minimum floor area regulations force builders to build larger homes than what the marketplace may otherwise want. The results from the DesegregateCT Zoning Atlas show a persistent problem in that many towns still have minimum unit size requirements. We are pleased to see that language in this bill to ensure more towns are in compliance with the Connecticut Supreme Court decision in *Builders Service*.
- We have long advocated for training for land use board and commission members. It is extremely unfortunate that many local land use board members do not fully understand their legal limitations under both the statutes and case law, and do not understand certain components of land use planning or of development applications. According to UConn's CLEAR, 40% of land use commissioners have no training or experience whatsoever in these issues. We are glad that robust training requirements appear in this bill, and we know that if adopted, we will have a much smoother permitting process.
- We have also urged state regulators to streamline the process for permitting wastewater systems. We are pleased to see that this bill would treat accessory dwelling units as one "unit" for the purpose of wastewater treatment systems and increase the gallonage for small-scale systems.

Finally, the provisions in **S.B. 1024** that provide for a model form-based code and eliminate parking mandates would be of immense benefit to our members and to people in Connecticut.

- Form-based codes can ameliorate the uncertainty and high costs associated with development that currently hamper the construction of new housing.
- Parking mandates force higher construction costs and <u>similarly stymie development</u>. By eliminating unnecessary parking requirements, construction costs will decrease and more projects will be economically viable, especially in our downtown areas.

In advocating to you in prior years, we have said that Connecticut can lead the nation if it builds more housing, with smarter guidelines than we have now. The many proposals put forth in **S.B. 1024** will improve our regulatory framework in modest ways and benefit our state's home builders and remodelers, by allowing us to respond to overwhelming demand for more housing stock and diversity in the state. As such, HBRA of CT is proud to share our full support of this legislation. Thank you for your consideration.